

SENATE BILL

No. 19

Introduced by Senator Florez

May 26, 2010

An act to add Section 19567 to the Revenue and Taxation Code, relating to the Franchise Tax Board.

LEGISLATIVE COUNSEL'S DIGEST

SB 19, as introduced, Florez. Franchise Tax Board: tax expenditure reporting.

Existing law authorizes the Franchise Tax Board, as part of its administrative duties with respect to the collection of taxes, to furnish specified taxpayer information. Existing law generally provides that all taxpayer information obtained by the board is to remain confidential. Existing law provides exceptions to this general requirement.

This bill would, notwithstanding existing law, require the Franchise Tax Board to annually compile specified information relating to a corporation receiving credits of \$20,000 or more, allowed from corporate tax expenditures, as provided. The bill would require the board to include the information in the California Income Tax Expenditure Report and on the state transparency Internet Web site.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 19567 is added to the Revenue and
- 2 Taxation Code, to read:

1 19567. (a) For purposes of this section, “corporate tax
2 expenditure” means any credit allowed under Part 11 (commencing
3 with Section 23001) or otherwise available to a corporation.

4 (b) Notwithstanding any other law, the Franchise Tax Board
5 shall annually compile all of the following information,
6 commencing with information based on the 2010 taxable year:

7 (1) The name, mailing address, and California corporation
8 number when applicable of any taxpayer receiving credits of twenty
9 thousand dollars (\$20,000) or more allowed from corporate tax
10 expenditures.

11 (2) The amount claimed by each taxpayer for the corporate tax
12 expenditure.

13 (c) The information collected by the Franchise Tax Board
14 pursuant to subdivision (b) shall be included in a timely manner
15 on the state Reporting Transparency in Government Internet Web
16 site.

17 (1) The information shall be compiled on a credit-by-credit basis
18 and searchable by taxpayer name, corporation number when
19 available, expenditure type, and key word.

20 (A) The corporation’s name.

21 (B) The California corporation number, when applicable.

22 (C) The name of the tax credit claimed.

23 (D) The amount of the tax credit claimed.

24 (E) A description of the initial justification for the expenditure.

25 (2) All data shall be available for download by the public on
26 the state Reporting Transparency in Government Internet Web site
27 in Excel or comparable spreadsheet format.

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